



## Legislative Bulletin.....July 17, 2001

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### **H.R. 1954—Iran and Libya Sanctions Extension Act of 2001 (Gilman)**

**Order of Business:** The bill is scheduled to be considered under a motion to suspend the rules on Tuesday, July 17<sup>th</sup>.

**Summary:** H.R. 1954 would extend the authorities of the Iran and Libya Sanctions Act (ILSA) to 2006. First enacted in 1996, the ILSA is set to expire this year.

Currently, the threshold of investments in Iran or Libya (for the purposes of developing either's petroleum or natural gas resources) that trigger sanctions on the investor is \$40 million for both countries. H.R. 1954 would keep the \$40 million threshold for Iran but lower the threshold to \$20 million for Libya. Any modification of existing contracts that would exceed the threshold amount would also trigger sanctions. The State Department has told the CBO that H.R. 1954 would result in a substantial increase in the number of investments in Libya that could be subject to the sanctions in ILSA.

Under the ILSA, the President could: (1) direct the Export-Import Bank not to approve any guarantee, insurance, or credit extension for the export of goods or services to any sanctioned entity; (2) order the U.S. government to deny licenses or permits to a sanctioned entity for the export of goods or technology; and (3) prohibit loans from U.S. financial institutions. The President could make exceptions in applying such sanctions. In fact, since passage of the ILSA in 1996, no sanctions have been imposed under the Act.

**Cost to Taxpayers:** The CBO estimates that implementing H.R. 1954 would not significantly affect discretionary spending, though the additional workload necessary to identify such investments (because of the lower threshold for Libya) could increase the State Department's spending by less than \$500,000 annually, assuming the availability of appropriated funds.

**Does the Bill Create New Federal Programs or Rules?:** No, the bill would extend the authority of an existing Act.

**Constitutional Authority:** The Committee on International Relations, in Committee Report 107-107, cites constitutional authority in Article I, Section 8, Clause 3 (regulate commerce with foreign nations) and in Article I, Section 8, Clause 18 (“necessary and proper”).

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## **S. 360—To Honor Paul D. Coverdell (Lott)**

**Order of Business:** The bill is scheduled to be considered under a motion to suspend the rules on Tuesday, July 17<sup>th</sup>.

**Summary:** S. 360 would name the Peace Corps headquarters, wherever situated, as the “Paul D. Coverdell Peace Corps Headquarters.” Any reference in Peace Corps documents to the World Wise Schools Program (in Public Law 106-570) would have to refer to it as the “Paul D. Coverdell World Wise Schools Program.” Also, **\$10 million** would be authorized for fiscal year 2002 to support the construction of the Paul D. Coverdell Building at the Institute of the Biomedical and Health Sciences at the University of Georgia.

S. 360 passed the Senate by Unanimous Consent on February 15, 2001.

**Additional Background:** From 1989 to 1991, Paul Coverdell served as the 11<sup>th</sup> director of the Peace Corps. In 1989, Mr. Coverdell founded the Peace Corps World Wise Schools Program, an education program that seeks to “engage learners in an inquiry about the world, themselves, and others in order to broaden perspectives, promote cultural awareness, appreciate global connections, and encourage service.”

Paul Coverdell was a U.S. senator from Georgia from 1993 until his death on July 18, 2000.

**Cost to Taxpayers:** The bill would authorize **\$10 million** in FY2002 to “support the construction” of the building described in the summary above.

**Does the Bill Create New Federal Programs or Rules?:** The bill would authorize new funding for a building in Senator Coverdell’s honor.

**Constitutional Authority:** A committee report citing constitutional authority is unavailable.

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## **H.J.Res. 36—Constitutional Amendment on Flag Desecration (Cunningham)**

**Order of Business:** The bill will be considered under a modified closed rule with two hours of debate and an amendment in the nature of a substitute made in order to be offered by Rep. Conyers or his designee.

**Summary:** H.J. Res. 36 would propose an amendment to the Constitution to allow Congress to enact legislation that would prohibit physical desecration of the U.S. flag. H.J.Res.36 must pass both the House and the Senate by a 2/3 margin. The legislatures of three-fourths of the states would be required to ratify the proposed amendment within seven years for the amendment to become effective.

H.J.Res. 36 states:

### **SECTION 1. CONSTITUTIONAL AMENDMENT.**

The following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

**`Article--**

**`The Congress shall have power to prohibit the physical desecration of the flag of the United States.'**

### **Recent Vote History:**

The flag amendment passed the House on June 28, 1995, 271-152, Roll Call # 429

The flag amendment passed the House on June 12, 1997, 310-114, Roll Call # 202

The flag amendment passed the House on June 24, 1999, 305-124, Roll Call # 252

### **Additional Background:**

**In 1984, a Texas man was arrested for burning a stolen American flag outside the Republican National Convention in Dallas. He was convicted of violating a Texas law against flag desecration. His conviction was appealed to the Supreme Court and in the 1989 the Court in a 5-4 decision struck down 48 state laws that made criminal the public burning of the flag.**

In September 1989, in response to the Supreme Court decision, Congress passed the Flag Protection Act of 1989 by a vote of a 380 to 38. In June of 1990, in another 5-4 decision the Supreme Court struck down this Congressionally passed law stating that burning an American flag as part of a political demonstration was expressive conduct protected by the First

Amendment to the U.S. Constitution and neither the States, nor the Federal Government could prohibit the desecration of the American flag.

Since 1994, there have been 86 reports of incidents involving flag desecration that have occurred in 29 states, the District of Columbia, and Puerto Rico (reports can be read at <http://www.cfa-inc.org/burnings.htm>).

**Since the 1990 Supreme Court ruling, 49 states have passed resolutions calling on Congress to pass the amendment and send it back to the states for ratification.** (Vermont is the only state not to pass such a resolution.)

**Cost to Taxpayers:** CBO estimates that this resolution would have no impact on the federal budget. If the proposed amendment to the Constitution is approved by the states, CBO projects that any future legislation prohibiting flag desecration could impose additional costs on U.S. law enforcement agencies and the court system to the extent that cases involving desecration of the flag are pursued and prosecuted. However, CBO does not expect any resulting costs to be significant.

**Constitutional Authority:** The Judiciary Committee finds authority under Article V, which provides that the Congress has the authority to propose amendments to the Constitution.

**Does the Bill Create New Federal Programs or Rules:** The bill proposes a Constitutional Amendment.

**Substitute Amendment:**

Mr. Watt may offer a substitute amendment which states: "Not inconsistent with the first article of amendment to this Constitution, the Congress shall have the power to prohibit the physical desecration of the flag of the United States" [emphasis added].

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